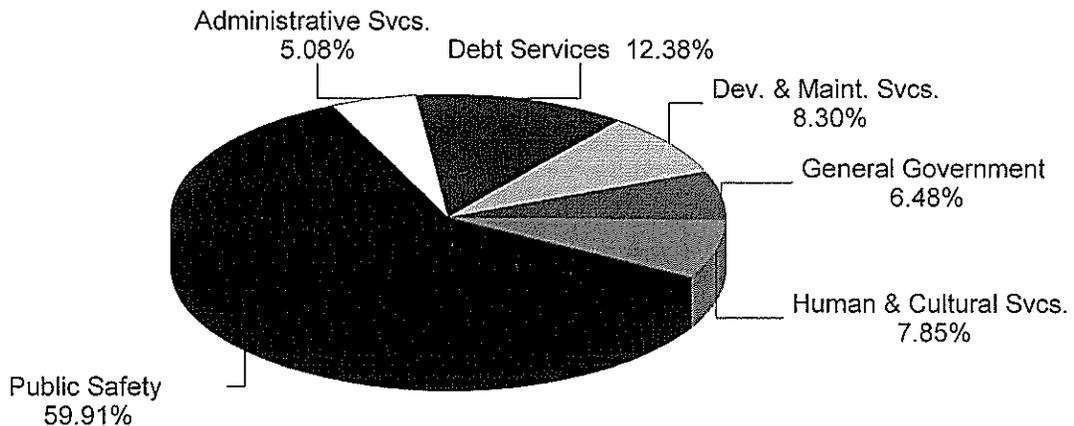


GENERAL FUND EXPENDITURE/OTHER USES SUMMARY

General Fund Expenditures and other uses make up the largest portion of the City's FY2013 Budget. These expenditures and other uses are funded by revenues from property and sales taxes, franchise fees, licenses and permits, charges for services, miscellaneous categories and other sources. (For a detailed explanation, see the General Fund Resources Summary).

FY2013 General Fund expenditures and other uses are allocated among twenty-four (24) departments and five (5) functional areas, the functional areas include Public Safety, Development and Maintenance Services, Human and Cultural Services, Administrative Services, and General Government. The following graph illustrates the allocation of these expenditures and other uses.

GENERAL FUND EXPENDITURES/OTHER USES FY2013 BUDGET



Total=\$1,947,897,159

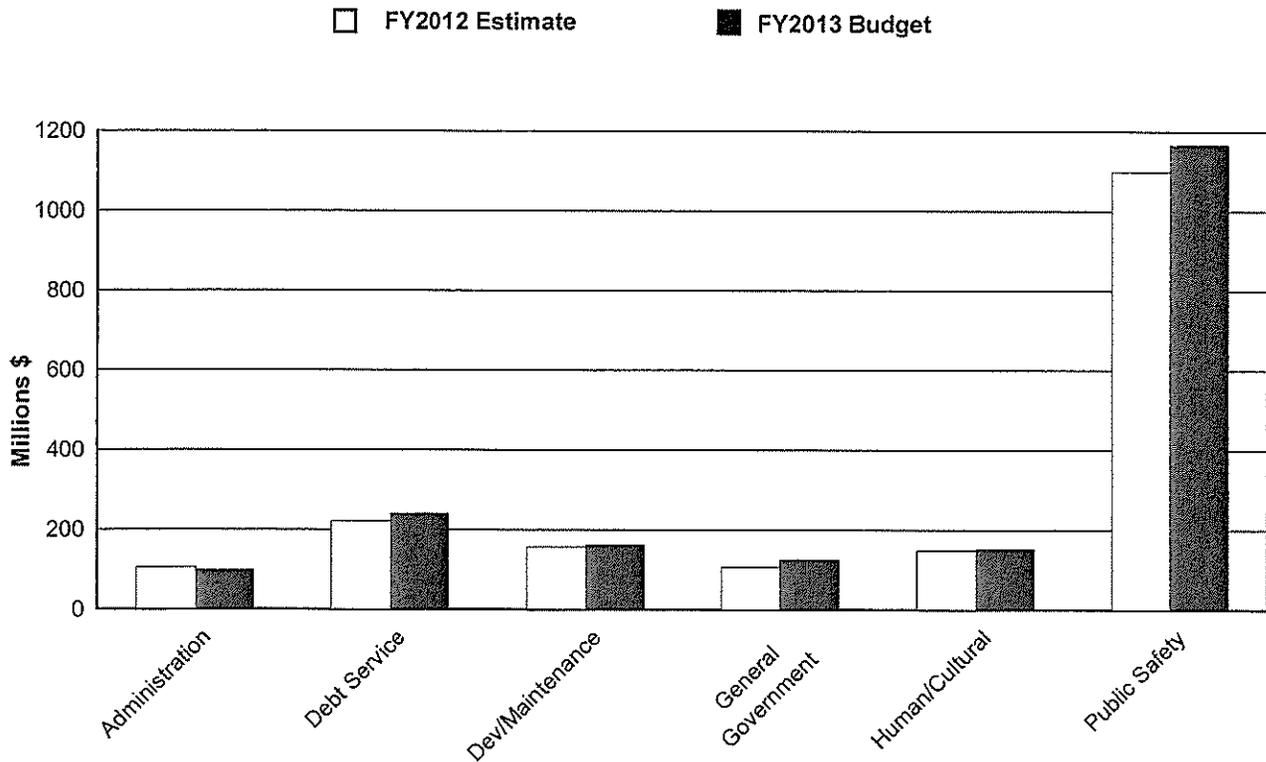
OVERVIEW

The largest single category of expenditures and other uses in FY2013 is Public Safety with 59.91 percent of the total, followed by Debt Service (12.38%), Development and Maintenance Services (8.30%), Human and Cultural Services (7.85%), General Government (6.48%), and Administrative Services (5.08%).

The City will continue to comply with federally mandated regulations resulting from the Americans with Disabilities Act (ADA), rules governing underground storage tanks and the discharge of storm water. The City is subject to increased costs for some contractual services, garbage disposal services, as well as increase for classified staffing, health benefits and classified compensation.

The following graph compares the FY2012 Estimate and FY2013 Budget by functional category. Please refer to the tables at the end of this section for comparisons among departments.

General Fund Expenditures/Other Uses FY2012 Estimate vs. FY2013 Budget



The FY2012 Estimate for General Fund expenditures/other uses totals \$1,837.1 million with the FY2013 Budget increasing by \$110.8 million to \$1,947.9 million.

The following section provides highlights of FY2013 General Fund expenditures/other uses by functional category and department.

Public Safety

The Public Safety functional category includes the departments of Fire, Houston Emergency Center, Municipal Courts and Police.

- The Fire Department's FY2013 Budget includes 1) four new cadet classes of 30 cadets per class, 2) paramedic training, 3) classified progressive pay increases, and 4) classified overtime to maintain four person staffing on engines and ladders.
- The Houston Emergency Center Department will continue its mission of providing the citizens of Houston with the most efficient, accurate, and professional service when processing life-threatening calls.
- The FY2013 Municipal Courts' Budget provides judicial and support staffing at the planned Sobering Center, increased judicial and administration support for expanded jail arraignment dockets, and the continuation of data cleansing efforts in preparation for Court System Management and Resource Technology (CSMART) to go-live.
- The Police Department's FY2013 Budget includes funding to meet the department's goals of enhancing safety throughout the city, improving public satisfaction, ensuring the department's accountability to the public and maintaining and increasing productivity. It also includes funding for three new cadet classes.

Development and Maintenance Services

The Development and Maintenance Services functional category includes the General Services, Planning and Development, Public Works and Engineering, and Solid Waste Management Departments.

- The General Services Department continues to provide best practices in managing facilities, design, construction, security and resource conservation in core civic buildings to optimize the life of City buildings. The budget also includes maintenance costs for seven facilities; additional funding for security services for Health and Library; and lease and building facility cost for the Sobering Center.
- The Planning and Development Department continues to support an enterprise geospatial system for the City's Geographic Information System (EGIS) that will improve efficiency and effectiveness in the City. In FY2013, the Department will incorporate City Mobility Plan Phase II results into our multi-modal mobility plan.
- The Public Works and Engineering Department's FY2013 Budget includes the Resource Management, Traffic Operations and Planning Divisions. The Planning Division will continue to track progress and effectiveness of the appraisal selection process for sale of City land/interest. In addition, the Mobility Response Team function will be transferring to the General Fund in FY2013.
- The Solid Waste Management Department provides solid waste services to the citizens of Houston through the collection, disposal and recycling of discarded material in a manner that is safe, efficient, environmentally sound and cost-effective. In FY2013 the department continues to expand automated curbside recycling citywide to realize route efficiencies and savings.

Human and Cultural Services

The Human and Cultural Services functional category includes the departments of Health and Human Services, Housing & Community Development, Library, Parks and Recreation, and the Department of Neighborhoods.

- The Health and Human Services Department works with the community to promote and protect the health and social well being of Houstonians. The FY2013 budget includes funding to relocate laboratory services to the new Holcombe facility.
- The Housing and Community Development Department continues to provide services principally to low and moderate income persons. The Department manages and administers both federal and non-federal funds that are earmarked for the development of viable urban communities. FY2013 budget includes general

funds to support personnel costs of individuals who have been assigned in part and/or whole to two citywide initiatives: (1) Land Assemblage Redevelopment Authority (LARA) and (2) Service of the Emergency Aid Resource Center for the Homeless (SEARCH) Mobile Outreach Program.

- The Houston Public Library remains committed to its role as a leader in the state and in the nation. The FY2013 budget will allow us to continue our current level of service hours and continue to retool staff and adjust services to meet emerging customer needs. The budget allows HPL to remain focused on our four customer-driven organizational priorities which are school support, literacy advancement, technology access and instructional and workforce development.
- The Parks and Recreation Department continues to enhance urban life by providing safe, well-maintained parks and offering affordable programs for the community. The Department also stewards the tree canopy in parks and on all City of Houston right-of-ways. Funding continues to provide for adaptive sports and recreation activities offered for children and adults with disabilities at the Metropolitan Multi-Service Center.
- The Department of Neighborhoods was established in FY2012. The FY2013 budget includes funding to meet the department's short term goals to increase the use of technology, and to increase awareness of City ordinances and violations.

Administrative Services

The Administrative Services functional category includes the departments of Administration and Regulatory Affairs, Office of Business Opportunity, City Council, City Secretary, Office of the City Controller, Finance, Human Resources, Information Technology, Legal, and Office of the Mayor.

- The Controller's Office continues to protect the financial integrity of Houston's City government. In FY2013 the department will continue ensuring accurate and timely reporting on the City's current financial condition, assessing the City's future financial condition, and certifying to City Council that funds are available for all appropriations.
- The Finance Department continues to emphasize strategic financial planning and performance reporting while maximizing the effective and efficient use of public funds. The FY2013 budget includes funding to execute the directives and policies of the Administration and City Council, implementation of an SAP module to track the capital budget, and continue implementation of citywide collection practices.
- Administration and Regulatory Affairs serves the citizens by providing support through sound management of the City's financial activities. The department focuses on ensuring policies and procedures are compliant. The FY2013 budget includes funding to update KRONOS Time and attendance as well as, execute citywide procurement upgrades.
- The Information Technology Department continues to improve the organization of information technology throughout the City by leveraging emerging technologies, reducing cost, limiting growth in the workforce and improving services to citizens and employees. The FY2013 budget includes funding for stabilization of HPD Record Management System (RMS), CSMART, and the 700MHz Radio System.
- The Legal Department continues the provision of core legal services, bond issue representation, preparation of ordinances and resolutions, utility regulation, and revenue collection. The FY2013 budget will continue to focus on the citywide debt collection program, assisting civic groups and individuals in the protection of their neighborhoods, handling deed restriction violations, moving to demolish blighted multi-family complexes and closing unlawfully operated sexually oriented businesses.
- The Office of Business Opportunity continues to create a competitive and diverse business environment in the City. The FY2013 budget include funding to promote Hire Houston First initiative, enforce Equal Employment Opportunity, and non-discrimination and prevailing wages.

General Government

The General Government Budget includes citywide costs that are not attributable to any single Department. The FY2013 Budget includes citywide memberships, claims and judgments, interest on short-term borrowing, health insurance for retired civilian employees and the Metro Transit Program.